

MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the Board of Directors

September 11, 2024

A meeting of the Massachusetts Water Resources Authority (“MWRA”) Board of Directors was held on September 11, 2024 at MWRA’s Administration Facility in Chelsea, and via remote participation.

Chair Tepper presided from the Chelsea Administration Facility. Board Members Flanagan, Peña, Taverna, Jack Walsh, Patrick Walsh and Wolowicz also participated from the Chelsea Administration Facility. Board Members Foti, Pappastergion, Swett and Vitale participated remotely.

MWRA Executive Director Frederick Laskey; General Counsel Carolyn Francisco Murphy; Chief Operating Officer David Coppes; Deputy Chief Operating Officer Rebecca Weidman; Director of Finance Thomas Durkin; Director of Administration Michele Gillen; Director of Tunnel Redundancy Kathleen Murtagh; Construction Director Martin McGowan; Senior Program Manager Paul Rullo; Chief Engineer Brian Kubaska; Program Manager Jeremy Hall; Senior Program Manager Milan Horbaczewski; MWRA Human Resources Director Wendy Chu; Director of Procurement Douglas Rice; MIS Director Paula Weadick; Senior Program Manager Michael O’Keefe; Deputy Finance Director/Treasurer Matthew Horan; Asset Management Analyst Michael Curtis; Chief of Staff Katie Ronan; Associate General Counsel Angela Atchue; and, Assistant Secretary Kristin MacDougall attended at MWRA’s Administration Facility in Chelsea.

Vandana Rao, EEA, and Matt Romero, MWRA Advisory Board, also attended at the Chelsea Administration Facility.

Chair Tepper called the meeting to order at 1:01pm.

ROLL CALL

MWRA General Counsel Francisco Murphy took roll call of Board Members in attendance and announced that Board Members Foti, Pappastergion, Swett, and Vitale were participating remotely. The Chair announced that the meeting was being held at MWRA’s Chelsea Administration Facility and virtually, via a link posted on MWRA’s website. She added that the meeting would be recorded, and that the agenda and meeting materials were available on MWRA’s website.

APPROVAL OF JULY 24 AND AUGUST 20, 2024 MINUTES

A motion was duly made and seconded to approve the minutes of the Board of Directors’ meeting of July 24 and August 20, 2024.

Chair Tepper asked if there was any discussion or questions from the Board. Hearing none, she requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper

Flanagan

Foti

Pappastergion

Peña

Swett

Taverna

Vitale

J. Walsh

P. Walsh

Wolowicz

(ref. I)

REPORT OF THE CHAIR

Chair Tepper duly moved to designate this September 11, 2024 meeting as the Annual Meeting, which, as provided in the Authority's By-Laws, will be deemed a special meeting of the Board for the purpose of the election of officers.

The Chair also moved to elect Andrew M. Pappastergion as Vice Chairman of the Board; to appoint Brian Peña as Secretary of the Board and Kristin MacDougall and Katherine Ronan as Assistant Secretaries; to appoint Matthew Horan as Treasurer; to appoint William Kibaja and Michael Cole as Assistant Treasurers; and, to ratify the appointments of Board members to standing Committees, as set forth in the September 11, 2024 Staff Summary presented and filed with the records of this meeting. New Committee Chairs will be appointed approximately every two years.

The motion was seconded.

Chair Tepper asked if there was any discussion or questions from the Board. Hearing none, she requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper

Flanagan

Foti

Pappastergion

Peña

Swett

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<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. II.AS)

REPORT OF THE EXECUTIVE DIRECTOR

MWRA Executive Director Fred Laskey recognized that this meeting was taking place on the anniversary of September 11, 2001, and advised that the events of that day had prompted MWRA to take significant steps forward in its security practices. He explained that staff will present an update on water security during Executive Session, and that presentations on various security topics are planned for the upcoming months. He reported that staff remain vigilant and continue to invest in MWRA's security systems.

Next, Mr. Laskey reminded Board Members of a discussion about community water system interconnections that took place at the last Board meeting. He relayed that staff would distribute a map of community interconnections during today's meeting, and that the matter would be discussed further at a future meeting.

Mr. Laskey then noted that the MWRA Advisory Board field trip in August 2024 was a great success. He presented a group photo taken at the event, and congratulated Advisory Board Staff for a job well done.

Next, Mr. Laskey reported that the October 2024 Board meeting is planned to be held offsite at the Quabbin or Wachusett Reservoir, and that staff would contact Board Members to coordinate.

Finally, Mr. Laskey briefly discussed the ongoing water system expansion study for Quabbin-area communities. He reported that staff are planning a series of public meetings, including a meeting with remote access. (ref. III)

EXECUTIVE SESSION

Chair Tepper requested that the Board move into Executive Session to discuss Real Estate, Security and Litigation, since discussing such in Open Session could have a detrimental effect on the negotiating and litigating positions of the Authority. She announced that the planned topics for Executive Session were a watershed land acquisition, a security update and strategy, and strategy with respect to litigation, and that the Board would return to Open Session after the conclusion of Executive Session.

A motion was duly made and seconded to enter Executive Session for these purposes, and to

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resume Open Session after Executive Session adjournment.

General Counsel Francisco Murphy reminded Board members that under the Open Meeting Law members who were participating remotely in Executive Session must state that no other person is present or able to hear the discussion at their remote location. A response of “yes” to the Roll Call to enter Executive Session when their name was called would also be deemed their statement that no other person was present or able to hear the Executive Session discussion.

Upon a motion duly made and seconded, a roll call vote was taken in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

Voted: to enter Executive Session, and to resume Open Session after Executive Session adjournment.

*** EXECUTIVE SESSION ***

The meeting entered Executive Session at 1:09pm and adjourned at 1:57pm.

*** CONTINUATION OF OPEN SESSION ***

WATER POLICY AND OVERSIGHT

Contract Awards

Metropolitan Water Tunnel Program Final Design Engineering Services: WSP USA Inc., Contract 7556

A motion was duly made and seconded to approve the recommendation of the Consultant Selection Committee to award Contract 7556, Metropolitan Water Tunnel Program Final Design Engineering Services, to WSP USA Inc. and to authorize the Executive Director, on behalf of the Authority, to execute said contract in an amount not to exceed \$93,605,158 for a contract term of 180 months from the Notice to Proceed.

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Kathleen Murtagh, MWRA Director of Tunnel Redundancy, presented an update on the Metropolitan Water Tunnel Program (MWTP) and requested Board approval for a proposed contract for Final Design Engineering Services with WSP USA, Inc. (“WSP”).

Ms. Murtagh presented a progress review of critical path tasks, including geotechnical investigations, land acquisitions, community agreements and TBM power. In addition, Ms. Murtagh provided an update on the field work that is nearly complete for the geotechnical support services contract, which includes deep rock borings (nearly two-thirds will be complete after this winter) and prepping about 20 boring locations to be completed during final design and the importance of this work.

Next, Ms. Murtagh reported on the recent submission of two access permit applications to MassDOT, and described how such are critical for the MWTP shaft sites. She explained that one permit is for the North tunnel and the other is for the South tunnel, and the detailed review that will follow with MassDOT and scheduling meetings to enable discussion and regular check-ins with MassDOT.

Ms. Murtagh provided an update on coordination with communities concerning the emergency and fire rescue response for the MWTP. She identified an upcoming meeting with the fire chiefs in Needham to discuss training, equipment and resources needed to prepare in the event of an emergency during the tunneling work. Similarly, she provided an update concerning communications with Eversource and the power supply to the shaft sites, as none of the shaft sites have sufficient power supply for the operations of the TBMs. She confirmed Eversource has designed and provided cost estimates for the work and is ready to meet the MWTP construction schedule. She relayed that the cost of the power supply is presently under the original budget; further, she noted that staff are working on an agreement with Eversource that will be brought to the Board for approval.

Ms. Murtagh then discussed the Final Design task, and noted that staff were proposing a Final Design Engineering Services (“FDE”) contract, with total duration of 180 months (15 years). She explained that the contract includes a five-year design phase, and a 10-year engineering services during construction (“ESDC”) phase. She reminded Board Members that MWRA staff had presented the FDE contract structure for Board approval in March (ref. W B.1/V A.1, March 13, 2024). She noted that this structure is comprised of an initial, five-year scope and award for the design phase, and a future amendment to the contract for the 10-year ESDC phase.

She explained that the proposals for the FDE contract included the firms’ overhead costs and proposed profits. She provided an overview of the FDE contract’s two-step procurement process, which included a request for qualifications (“RFQ”), followed by a request for proposals (“RFP”) for the shortlisted firms. She reported that MWRA received four statements of qualifications; that three firms were shortlisted; and, that all shortlisted firms had received a

detailed scope of work. She added that all shortlisted firms submitted detailed proposals and the evaluation criteria for the proposals was comprehensive. .

Secretary Tepper requested more information about the RFQ/RFP process. Ms. Murtagh explained that the RFQ included an outline of the scope of work. Secretary Tepper asked for further details on the proposed FDE contract's duration and scope. Ms. Murtagh explained that the FDE contract would be awarded for the full 180-month duration; that the scope of the contract's first five years would bring the MWTP Program to final design (i.e. up to bidding with stamped drawings by the engineer of record) and that the design team needs to be involved during construction. To provide construction administration services she explained that there will be an amendment to the contract to add scope for the contract's final 10 years for ESDC. She noted that it is a lower level of effort but it is critical for the FDE to remain involved.

Chair Tepper asked if there would be a circumstance under which the FDE would not want to be involved with completing ESDC. Ms. Murtagh explained that this would be an unlikely, and highly unusual scenario for a FDE to not continue with ESDC. Chair Tepper asked if the financial parameters for the entire 15-year contract are set now. Ms. Murtagh responded in the affirmative for the key financial parameters.

Board Member Taverna asked how the consultant engineer predicts the level of effort and the number of hours over 15 years, and if staff were confident in WSP's level of effort with respect to the contract's entire 15-year duration. Ms. Murtagh explained that the scope of work that was provided to the firms and upon which the firms based their pricing was for the initial 5-year design phase. She briefly described the categories and described the scope of work included in the over 300,000 hours of level of effort. Further, in response to Mr. Taverna's inquiry, Ms. Murtagh noted that WSP's proposal reflected a level of effort and pricing for the contract's initial, five-year design phase only. Mr. Taverna asked if the ESDC portion of the work would be added by contract amendment. Ms. Murtagh responded in the affirmative.

Chair Tepper further inquired if the key parameters of the future amendment for ESDC had already been set. Ms. Murtagh explained that the key financial parameters, the overhead rate and fee have been set, noting that those are the financial parameters that drive cost and that labor rates do not vary that much for the type of staff needed and goes into the overhead rate. Mr. Taverna asked if the labor rates will vary over time, over the 15 years. Ms. Murtagh responded in the affirmative and noted that there is an escalation factor.

Next, Ms. Murtagh presented a summary of the selection committee's proposal evaluation for the FDE contract, which included a detailed review of all three proposals; requests for clarification from all three proposers; interviews of each team; and, the use of established score and ranking criteria. She presented the selection committee's final scores and rankings for the three firms, noting that the committee had full confidence in the recommended team. She then

summarized the three proposals received, including their proposed costs and levels of effort. She noted that higher costs appeared to correlate with higher proposed levels of effort, and that WSP submitted a proposal with the fewest assumptions while some other teams had some cost qualifying assumptions.

Ms. Murtagh then described the information that staff provided to all proposing firms, including the preliminary design report, the preliminary design drawings, the preliminary designer's cost estimate, and an independent cost estimate, as well as geotechnical data; MWTP Program information; and all Environmental Impact Report ("EIR") documents. Thereafter, she explained that MWRA has been working on this project for six years, and further acknowledged a lot of detail and work have been completed. She noted that some details regarding work already performed is settled and will not need to be revisited, but that the proposers do not necessarily know that at the proposal phase. Next, she reported as staff examined the proposals, it was apparent that proposers had priced for work that is already completed. Therefore, she noted efficiencies will be gained on such tasks as borings and coordination with Eversource. She explained that staff had identified where the costs for these tasks were reflected in the proposals, and where some efficiencies can be gained. She noted that the data obtained from these tasks would facilitate the Final Design work.

Next, Ms. Murtagh discussed the qualifications of the recommended firm, WSP. She reported that WSP had the best overall plan to meet the scope of work and program milestones; that the firm demonstrated the best approach to incorporating operations needs into the design; and, that the management team is fully present and integrated with MWRA's MWTP department. She noted that WSP planned to work full-time at MWRA's core storage facility in Needham. She added that WSP had provided a higher budgeted level of effort for key experts, including geologists; geotechnical engineers; tunnel and liner designers; and, an outstanding geology team. She also noted that WSP's proposal included the added role of an experienced chief engineer who has both technical and non-technical experience for a job of this complexity.

Board Member Wolowicz inquired about the items that proposers did not know about that are going to essentially reduce their price as they go on, and why they were not told of that ahead of time. Ms. Murtagh explained that staff provided all proposers with extensive information, including the preliminary design report and preliminary design drawings. She noted that the proposers were not given all the technical memos that the preliminary designer had worked on, as the decision-making was memorialized in the preliminary design report. Ms. Murtagh provided an example of such a decision already made.

Ms. Wolowicz explained her concern regarding getting money back for tasks the firm did not have to perform and finding other places to use it, and questioned why (unless the information was proprietary) it would not be beneficial to provide proposers everything done so far, so the

proposers would know what they do not have to do; as it may not be a true proposal then in her thinking. Board Member Foti agreed.

Ms. Murtagh explained that the preliminary design report was given to the proposers, and that it would not be typical to provide all the technical memos. Further, she confirmed the proposers received all the EIR documents. Ms. Murtagh explained that this is a professional services contract and that the FDE would only be compensated for services performed. In addition, she noted that staff are developing a series of workshops to brief the firm on the MWTP's progress to date; provide background as to matters that the firm does not need to invest time in, as well as areas where the firm will need to spend time. Further, she confirmed the scope of work is structured and staff who manage the budgets will know what funds are being spent on, and what funds will not be needed. She stressed that the contract structure is not a blank check for the FDE, and provided an example of how staff manage contracts with project controls that maximize the use of funds in the best interest of the MWTP Program.

Ms. Wolowicz expressed her trust in Ms. Murtagh and noted that she is concerned about information that MWRA had and did not provide. Mr. Foti agreed with Ms. Wolowicz and noted that he has full confidence in the MWTP Program team, that he had uncertainty with respect to staff continuity given the long duration of the contract. Ms. Murtagh acknowledged the length of the contract and explained that staff asked all proposers to describe their succession plans, and that the WSP team provided the strongest response and the response of the other teams was not quite as good.

Board Member Swett agreed with Ms. Wolowicz' comments, and advised that in his view providing more information in a process results in more accurate pricing; and that assumptions are not bad if such are accurate. He asked how MWRA set its specific MBE/WBE participation targets. Ms. Murtagh explained that the targets are set by MWRA's Affirmative Action and Compliance Unit ("AACU"). Mr. Swett further inquired as to the basis of the analysis for the specific percentage target. MWRA General Counsel Carolyn Francisco Murphy advised that staff would follow up to provide more information on how the precise MBE/WBE percentages are determined. Mr. Swett asked if part of the evaluation was looking at the diversity of the proposers' key personnel. Ms. Murtagh responded that while not directly, she is attuned to a diverse team and the WSP team has a number of women involved in the project; they have not met other team members and she could not comment on other parameters. Mr. Swett relayed that other state agencies are looking positively at diversity of key personnel as part of their evaluation criteria. Ms. Francisco Murphy noted MWRA's construction contracts include MBE/WBE workforce requirements, and that staff will confer with AACU on Mr. Swett's questions. Mr. Swett noted the positive impact on the submissions when the responding community is informed that it will be looked at.

Ms. Wolowicz asked Ms. Murtagh if she knew specifically what was not provided to proposers, the approximate cost of what was not provided and why. Ms. Murtagh provided some examples of areas where staff saw costs above the Engineer's Estimate such as aerial surveys, utilities exploration, and early study phases of work. She explained that the project scope is structured and that staff will conduct workshops with the FDE to define the appropriate level of effort for these kinds of tasks, manage costs and be efficient. Ms. Wolowicz asked if any of this information was discussed during the interviews. Ms. Murtagh responded that it was not, and explained the interview process and that proposals had already been submitted.

Mr. Laskey advised that staff have worked on the project for six years and believe they have come up with a good contract. He acknowledged the Board's questions and suggested postponement until the next meeting so that the Board's questions could be answered.

Secretary Tepper agreed, and suggested that questions be provided in writing in advance of the next Board meeting.

A motion was duly made and seconded to postpone this agenda item.

A roll call vote was taken in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. V A.1)

CONTRACT AMENDMENTS/CHANGE ORDERS

Section 4 Walnut Street Bridge Pipe Restraint Replacement: R. Zoppo Corp., Contract 7483, Change Order 7

A motion was duly made and seconded to authorize the Executive Director, on behalf of the Authority, to approve Change Order 7 to Contract 7483, Section 4 Walnut Street Bridge Pipe Restraint Replacement, for an amount not-to-exceed \$200,000, increasing the contract from \$478,900 to \$678,900, and extending the contract term by 540 calendar days from August 9,

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2023 to January 30, 2025.

Further, a motion was duly made and seconded to authorize the Executive Director to approve additional change orders as may be needed to Contract 7483 in an amount not to exceed the aggregate of \$78,725 and 180 days in accordance with the Management Policies and Procedures of the Board of Directors.

Martin McGowan, MWRA Construction Director, explained that staff were requesting approval for a change order to MWRA Contract 7483, which expired over a year ago due to delays in coordination with the MBTA and the project's construction contractor, R. Zoppo Corp ("Zoppo").

Mr. McGowan presented the project site in Somerville, highlighting its proximity to Somerville High School, and to MBTA Green Line and Commuter Rail tracks. He described the Walnut Street Pipe Bridge's function as a support for a 48-inch water transmission main, and the purpose of the project, which is to replace the bridge's corroded and deteriorating restraint system. Mr. McGowan shared photographs including of the pipe bridge's current condition, of its badly deteriorating thrust restraints and the MBTA's Green Line catenary lines that are suspended over the pipe bridge. He advised that staff had planned for MWRA's pipe bridge project to be completed before this branch of the Green Line went into service in December 2022; however, because the catenary lines are now electrified, staff have been working closely with the MBTA to identify a plan to safely complete construction under the new conditions.

Mr. McGowan noted that the MBTA has recently made changes to their safety policies; that MWRA will adhere to these policies; and that staff have been working with the MBTA to develop solutions. He also discussed some options that were considered.

He then advised that MWRA, Zoppo and MBTA are now prepared to take the opportunity to conduct the Pipe Bridge during a 2-week Green Line shutdown in December 2024, which MBTA has scheduled for track upgrades. Finally, he requested Board approval for the proposed change order for added labor costs for off-shifts, shift differentials, and increases in prevailing wages; as well as additional flaggers and inspectors as required by MBTA.

Mr. Taverna asked if Zoppo had confirmed that it could complete the work within the 2-week window. Mr. McGowan responded in the affirmative and noted that Zoppo has experience working with MBTA. Mr. Taverna requested more details about the timeframe for the project. Mr. McGowan explained that the work is expected to take place December 7-20, 2024, and that staff are poised to begin project planning as soon as possible, pending Board approval.

Hearing no further discussion or questions from the Board, Chair Tepper requested a roll call vote in which the members were recorded as follows:

Yes

No

Abstain

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<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper		
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Flanagan		
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Foti		
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Pappastergion		
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Peña		
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Swett		
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Taverna		
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Vitale		
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J. Walsh		
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P. Walsh		
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Wolowicz		
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(ref. V B.1)

WASTEWATER POLICY AND OVERSIGHT

Contract Awards

Somerville Marginal CSO Facility New Pipe Connection: RJV Construction Corp., Contract 7985

A motion was duly made and seconded to approve the award of Contract 7985, Somerville Marginal CSO Facility New Pipe Connection to the lowest responsible and eligible bidder, RJV Construction Corp., and to authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$4,436,384 with a contract term of 625 calendar days from the Notice to Proceed.

Paul Rullo, MWRA Senior Program Manager, Engineering and Construction, discussed a proposed contract for a new pipe connection at the Somerville Marginal CSO Facility. He noted the number of outfalls that meet or materially meet MWRA's Long-Term CSO Control Plan, and advised that this project would reduce CSO at 2 locations where volume and activation goals have fallen short of the LTCP (MWR-205 and SOM007A/MWR-205A). He presented a map of the outfalls' locations in Somerville; their flow and treatment paths; and their discharge locations.

Mr. Rullo then provided an overview of the scope for the proposed contract, which includes the construction of a diversion vault between City of Somerville Combined Sewers and a MWRA Interceptor. He presented a map of these sewers' locations and a drawing of the proposed diversion vault. He briefly described how the new pipe connection vault would operate.

He next presented a summary of the contract's procurement process and bid results. He reported that MWRA received three bids that were consistent in range, and that the price of the recommended bidder, RJV Construction Corp., ("RJV") was 12.7% under the Engineer's Estimate. Finally, Mr. Rullo discussed RJV's qualifications, including a history of successful

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MWRA valve improvement and pipe installation projects.

Mr. Laskey noted that this project is an example of MWRA's ongoing commitment to improving CSO control.

There was brief discussion with questions and answers about how the project's remotely actuated control valve would be operated; and how the project would maximize the conveyance of CSO flows to treatment and reduce treated CSO volumes.

Hearing no further discussion or questions from the Board, Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. VI A.1)

Contract Amendments/Change Orders

Braintree-Weymouth Intermediate Pump Station Transformer Replacement: Dagle Electrical Construction Corporation, Contract 7995, Change Order 1

A motion was duly made and seconded to authorize the Executive Director, on behalf of the Authority, to approve Change Order 1 to Contract 7995, Braintree-Weymouth Intermediate Pump Station Transformer Replacement with Dagle Electrical Construction Corporation, extending the contract term by 270 calendar days from November 2, 2024 to July 30, 2025, with no increase in contract amount.

Mr. McGowan presented the reasons for a proposed change order to Contract 7995, Braintree-Weymouth Pump Station Transformer Replacement, with Dagle Electrical Construction Corporation. He explained that staff were requesting a no-cost, 270 calendar day contract extension due to supply chain delays.

Mr. Jack Walsh asked for more details about the transformer that is currently in use. Mr. McGowan explained that the current transformer is a temporary, rental unit that was installed

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as an emergency replacement in 2013 when the prior transformer failed. He explained that the new transformer to be installed under this contract will be made of stainless steel, and is expected to withstand the Braintree-Weymouth Pump Station's environmental conditions. There was brief, general discussion about the project's scope.

Hearing no further discussion or questions from the Board. Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. VI B.1)

CSO Post-Construction Monitoring and Performance Assessment AECOM Technical Services, Inc. Contract 7572, Amendment 5

A motion was duly made and seconded to authorize the Executive Director, on behalf of the Authority, to approve Amendment 5 to Contract 7572, CSO Post-Construction Monitoring and Performance Assessment, with AECOM Technical Services, Inc., increasing the contract amount by \$3,095,000, from \$7,142,705 to \$10,237,705 and extending the contract term by 1,608 calendar days, from April 8, 2025 to August 31, 2029.

Staff presented the reasons for a proposed amendment to a CSO Post-Construction Monitoring and Performance Assessment Contract with AECOM Technical Services, Inc.

Brian Kubaska, MWRA Chief Engineer, provided background on MWRA's ongoing CSO Control efforts, which are driven by Boston Harbor case court ordered milestones, and variances. He described tasks performed by AECOM in support of these efforts, including inspections, metering, hydraulic modeling and water quality assessments.

Next, Mr. Kubaska discussed the Final Performance Assessment Report that was submitted in December, 2021 as a requirement of the Boston Harbor federal court case. He noted that the Report identified 16 CSO outfalls that did not meet performance goals and discussed the three-

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year agreed upon extension of the court case and the supplemental report that is due in December 2024. He presented a map showing progress on the challenging outfalls to date and noted that the supplemental report will allow DEP and EPA to determine if MWRA has met the court-ordered obligations.

Mr. Kubaska presented the locations of the 16 open CSOs that discharge to variance waters. He briefly discussed the requirements of the prior variances including the deliverables such as the updated CSO control plan, an optimization analysis, and the request for an extension for the submission of the deliverables by MWRA and the communities, which ultimately required new variances. Mr. Kubaska also briefly discussed some of the requirements of the new variances and the CSO program efforts going forward including public participation and coordination requirements, the January 2027 Final Updated LTCP submission deadline, DEP/EPA guidelines and reporting requirements, annual CSO control report submittals, and feasibility analyses.

Next, Jeremy Hall, MWRA Program Manager, Engineering and Construction, discussed AECOM's record of excellent performance in support of the LTCP, which has allowed MWRA to meet regulatory deadlines. He advised that the proposed amendment to AECOM's contract will align with the timeline for required submittals under the new variance, allow AECOM to continue work on ongoing tasks; greatly expand the level of coordination to develop alternatives and affordability analyses; and, help to expand the CSO stakeholder engagement program.

Finally, Mr. Hall summarized the scope and costs of the proposed amendment, including the continuation of existing tasks; additional program management services; task order allowances; receiving water quality model for a 2050 Typical Year; and maintenance of a unified model that has been used for the assessment of programs and projects that will become the updated CSO control plan.

Secretary Tepper asked if AECOM intended to engage a subcontractor for community engagement, noting that in her view, these efforts are best performed by dedicated specialists. Mr. Hall explained that Somerville has worked with CBI, which has been assisting with the public engagement firm, and that contract has been extended by Somerville. Mr. Kubaska added that AECOM's public community engagement tasks are focused on participating in and preparing for public meetings.

Mr. Jack Walsh acknowledged the complexity of the project, noted that the proposed amendment was approximately 2.5 times the cost of AECOM's original contract, and asked if staff expected this to be the last amendment. Mr. Kubaska advised that at this point it should be the last amendment and that, although he could not promise that it would be the last amendment, it is structured to coincide with the end of the CSO variance period. He explained that there is expected to be a break between the completion of the final updated CSO control plan and the end of the variance, during which time the project team would respond to MEPA

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comments; potentially address a notice of project change; and, assess the best next steps with regard to the contract.

David Coppes, MWRA Chief Operating Officer, added that he expects that at the end of the next long term control plan process staff will have a number of recommended CSO projects that would be advertised separately for the designers. He noted that AECOM is currently assisting in identifying these projects and would have an opportunity to bid on them as would other consultants.

Mr. Swett asked how staff evaluate the MBE/WBE participation goals for AECOM's contract, noting relatively low participation goals, and encouraged MWRA staff to continue to seek opportunities to increase MBE/WBE participation. Mr. Kubaska acknowledged Mr. Swett's comment and advised that staff would provide more information at a later date.

Hearing no further discussion or questions from the Board. Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. VI B.2)

Siphon and Junction Structure Rehabilitation - Design and Engineering Services During Construction: Contract 6224, Amendment 1, Kleinfelder Northeast, Inc.

A motion was duly made and seconded to authorize the Executive Director, on behalf of the Authority, to approve Amendment 1 to Contract 6224, Siphon and Junction Structure Rehabilitation Design and Engineering Services During Construction, with Kleinfelder Northeast, Inc., increasing the contract amount by \$145,690.43, from \$2,854,552.34 to \$3,000,242.77, and extending the contract term by 36 months from October 1, 2024 to October 1, 2027.

Milan Horbaczewski, Senior Program Manager, Engineering and Construction, discussed a

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proposed amendment to a contract for siphon and juncture structure rehabilitation design and engineering services during construction with Kleinfelder Northeast, Inc. ("Contract 6224").

Mr. Horbaczewski presented a map of MWRA's sewer interceptors and the locations of 40 siphon and juncture structures that are in most need of repair, access improvements and flood protection. He described the functions of siphons, and noted that the siphon structures to be rehabilitated are located within 17 communities, and adjacent to rivers and wetlands.

Next, Mr. Horbaczewski explained that staff are requesting the Board to approve a 36-month time extension for Contract 6224, in order to obtain required permitting and easements needed for construction. He explained that the permitting process is taking longer than expected due to a large number of permitting entities and a high volume of meetings and site visits with local conservation commissions. He provided a brief progress update on easement acquisition.

Next, Mr. Horbaczewski noted that the proposed Amendment requests additional budget for project management and additional design services for pipe loading analysis. He explained that additional analysis is needed to ensure that future construction work does not harm existing sewers that lead up to the siphon structures. Finally, Mr. Horbaczewski advised that the siphon and juncture rehabilitation construction contract is expected to be awarded in the coming months.

Mr. Jack Walsh asked how the structures in most need for repair were identified. Mr. Horbaczewski explained that they were selected based on conditions assessments and that a goal of the project is to eliminate inflow at a number of the structures' locations, based on a 100-year flow plus 2.5 foot parameter. He added that some structures were assessed for rehabilitation based on interior or exterior structural integrity; while others were determined to need access improvements. He noted that Contract 6224 is part of an ongoing series of siphon and junction structure rehabilitation design projects.

Hearing no further discussion or questions from the Board. Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Vitale		
J. Walsh		
P. Walsh		
Wolowicz		

(ref. VI B.3)

ADMINISTRATION, FINANCE AND AUDIT

Information

Delegated Authority Report – July and August 2024

Committee Chair Foti invited Board Members' questions on the Delegated Authority Report.

With regards to the July, 2024 Item C-10: *Drug and Alcohol Testing and Compliance Services*, Board Member Vitale requested the name of MWRA's pre-employment drug and alcohol testing provider, and the contract cost. Wendy Chu, MWRA Human Resources Director, advised that OHS WorkCare has conducted pre-employment drug and alcohol testing for MWRA for the past few years, and that staff would forward information about the contract cost at a later date.

In reference to the July, 2024 Item P-1: *One Year Purchase Order Contract to Provide Commercial Driver's License Training for MWRA Employees*, Mr. Vitale asked where CDL training for MWRA staff takes place. Ms. Chu explained that trainings are conducted offsite, and that staff would provide more information about the locations as soon as possible.

With respect to the August, 2024 Item P-6: *Purchase Order for Three New Service Trucks*, Mr. Vitale asked if staff could have purchased electric service trucks. Douglas Rice, MWRA Director of Procurement, explained that electric vehicles are not currently available for the heavy duty uses required.

Regarding the July, 2024 Item P-1, Board Member Pappastergion requested clarification on the number of employees to receive CDL training under this contract. Ms. Chu explained that the contract includes 10 Class A training slots, and 10 Class B slots, for a total of 20 employees. Mr. Pappastergion remarked on the cost of the contract. Ms. Chu noted that the classes cover multiple sessions, and explained that recent changes to federal requirements for CDL licensing prevents MWRA from conducting this training in-house.

In reference to the July, 2024 Item P-5: *Purchase Order for 100 Hewlett Packard Probook Laptops – State Contract ITC73*, Mr. Jack Walsh commented that laptops are available on retail websites for a similar price, and asked if MWRA trades in old laptops. Paula Weadick, MWRA MIS Director, advised that there are no trade-ins associated with this purchase. She noted that this purchase order's cost per unit is fair for enterprise class laptops that can perform well using MWRA's existing IT systems. Mr. Jack Walsh asked if staff had considered using AMD

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processors. Ms. Weadick reported that staff have tried AMD in the past, but the processors were not compatible with MWRA systems. Mr. Jack Walsh requested more information about MWRA's procedures for distributing the new laptops, and for disposing of the old ones. Ms. Weadick explained that MWRA surpluses old laptops in accordance with security protocols, and noted that the market value of the laptops to be replaced by new units is expected to be relatively low due to age. There was brief, general discussion about MWRA's laptop surplus process.

With respect to the July, 2024 Item P-1, Board Member Foti requested the cost of CDL training on a per-employee basis. Ms. Chu explained that the costs for CDL Class A and CDL Class B training are approximately \$10,000 and \$5,000-\$6,000 per employee respectively. She noted that a limited number of positions require CDL Class B licenses for career advancement, and that funding Class B training for other employees typically entails negotiations with staff members and their unions. Mr. Foti asked if staff had considered holding CDL training at MWRA facilities, and noted that he is aware of some CDL training companies that provide online training for a portion of the course, with the remainder of the training conducted in-house by a federally-approved staff member. Ms. Chu advised that staff would look into that option.

(Chair Tepper and Board Members Peña and Taverna left the room and returned to the meeting during the discussion.)

Hearing no further discussion or questions from the Board, Mr. Foti moved to the next Information item. (ref. VII A.1)

FY2024 Fourth Quarter Orange Notebook

Michael O'Keefe, MWRA Senior Program Manager, Planning, provided brief background on the Orange Notebook, and presented key highlights for the fourth quarter of FY2024. He reported that staffing levels remained below pre-pandemic levels; however, hiring rates have continued to increase. Finally, he advised that precipitation levels were approximately 30% higher than average in FY2024, with impacts throughout MWRA's operations.

Hearing no discussion or questions from the Board, Mr. Foti moved to the next Information item. (ref. VII A.2)

FY24 Year-End Financial Update and Summary

Thomas Durkin, MWRA Finance Director, reported that FY2024's budget ended well despite such challenges as inflation, which rose to approximately 6% in spring 2023, and high cost estimates for chemicals (+75%). He noted that chemicals costs had ultimately increased less than expected during FY2024. Mr. Durkin then reported that FY2024's wages and salaries were 10% under budget. He briefly described MWRA's budget cycle, and noted that a proposed defeasance from the FY2024 budget variance that is intended to benefit the FY2026 budget

would be discussed in upcoming agenda item (ref. VII B.1).

Hearing no discussion or questions from the Board, Mr. Foti moved to the next Information item. (ref. VII A.3)

FY24 Year-End Capital Improvement Program Spending Report

Mr. Durkin discussed MWRA's Capital Improvement Program ("CIP") spending for FY2024. He explained that the CIP is aspirational and intended to document MWRA's priorities for capital spending. He reported that FY2024 CIP spending concluded well, at approximately 31% under budget, which is in alignment with previous fiscal years. Finally, Mr. Durkin briefly described ways that staff analyze and present CIP Spending Report data to provide insights.

Mr. Vitale asked if any arbitrage issues arose as a result of the FY2024 CIP's underspending variance. He also asked which firm performs MWRA's arbitrage calculations, and if MWRA compiles this data. Mr. Durkin reported that there had not been any arbitrage issues, and advised that borrowing at rates that are higher or lower than earnings requires special attention, and noted that MWRA contracts with PFM for arbitrage calculations.

Hearing no further discussion or questions from the Board, Mr. Foti moved to Approvals. (ref. VII A.4)

Approvals

Bond Defeasance of Future Debt Service

A motion was duly made and seconded to authorize the Executive Director or his designee, on behalf of the Authority, to enter into, execute and deliver all necessary agreements and other instruments and to take such other actions necessary to effectuate the redemption and defeasance of an aggregate principal amount of \$28,021,000 of outstanding MWRA senior bonds including to cause the escrow of cash and/or securities in an amount necessary to fund such redemption and defeasance, in order to reduce the debt service requirement by approximately \$31.1 million in the FY26 through FY28 timeframe.

Matthew Horan, MWRA Deputy Finance Director/Treasurer requested Board approval to use approximately \$29 million of FY2024's positive budget variance to defease some outstanding bonds, in order to provide debt service savings from FY2026 through FY2028. He explained that savings would be applied to manage FY2026-FY2027 water rates, and that the proposed defeasance would save approximately \$1.5 million in avoided interest costs. Finally, Mr. Horan noted that this proposed defeasance, combined with a defeasance executed in Spring 2024, would result in approximately \$5 million in interest expense savings total.

Mr. Taverna asked if it would be prudent to apply some of the funds to other programs, such as pensions, or Other Post-Employment Benefits (OPEB). Mr. Horan explained that in staff's view, the strategy of executing discrete bond defeasances to reduce future debt service is more

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beneficial than applying them to pensions or OPEB, which have a higher risk of loss over time.

Mr. Vitale acknowledged Mr. Taverna's point, and requested more information about the yields, funding percentages, unfunded liabilities and final contributions made to the pension and OPEB trust funds as of June 30, 2024. He expressed confidence in the MWRA Finance team's prudent strategy with regard to bond defeasances for rates management, and asked staff if they could provide more information on their methods of analysis with regard to defeasances. Mr. Horan advised that the pension system was at 6.5% and 88.9% funded, and that the OPEB trust was at 6.7% and 45% funded through July 2024. He noted that the final contribution to the pension trust was approximately \$21 million for FY2025, including an extra \$5 million that was approved by the Board of Directors in 2024; and that the OPEB deposit for June 2024 was \$2.8 million, and \$5.2 million for 2025. Mr. Horan answered Mr. Vitale's question regarding staff's analysis for defeasance versus pension funding levels. He cited MWRA's annual actuarial valuation, and explained that in staff's view, the pension funding level does not need to be raised because the extra contribution made in FY2024 already provides some stability for the next three years. He added that staff's strategy with respect to pension funding and defeasances is intended to allow MWRA to maintain pension levels while continuing to manage rates.

Mr. Vitale then asked if staff expected any strategy changes for the pension and OPEB trusts in light of the changing economic climate. Mr. Horan explained that the OPEB trust is 100% funded by Commonwealth's PRIT fund, and that the MWRA Retirement Board is having ongoing discussions about potential investment vehicles. Mr. Vitale relayed a compliment for MWRA's Finance staff that he had recently received from an outside auditor.

Mr. Jack Walsh requested more information about the potential interest rate savings of the proposed defeasance. Mr. Horan explained that the savings on each bond would be 5% per year.

Hearing no further discussion or questions from the Board. Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Tepper		
Flanagan		
Foti		
Pappastergion		
Peña		
Swett		
Taverna		
Vitale		

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<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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J. Walsh		
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P. Walsh		
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Wolowicz		
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(ref. VII B.1)

PERSONNEL AND COMPENSATION

Approvals

September 2024 PCR Amendments

A motion was duly made and seconded to approve amendments to the Position Control Register (PCR) as presented and filed with the records of this meeting.

Wendy Chu, MWRA Human Resources Director, invited Board members' questions on the September 2024 PCR Amendments.

Mr. Jack Walsh requested why the proposed PCR amendments included the creation of three new positions in the Human Resources department. Ms. Chu explained that these positions would provide needed support for a number of important programs and initiatives, and would promote career ladders through the addition of two entry-level positions.

Hearing no further discussion or questions from the Board, Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper		
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Flanagan		
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Foti		
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Pappastergion		
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Peña		
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Swett		
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Taverna		
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Vitale		
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J. Walsh		
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P. Walsh		
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Wolowicz		
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(ref. VIII A.1)

Extension of Internship/Contract Employment, Internal Audit Division

A motion was duly made and seconded to approve the extension of employment for Mr. Jack Sicurella, Internal Audit Intern, for three months until November 29, 2024 (37.5 at the hours per current rate of \$22/hour.)

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Ms. Chu invited Board members' questions on the proposed extension of employment for an Internal Audit intern.

Mr. Foti asked why this extension required Board approval. Ms. Chu explained that MWRA's Human Resources hiring policy requires Board approval for any employment contract over 12 months, and that the incumbent intern will have been employed at MWRA for over a year as of September 20, 2024. She added that the intern is currently working on projects that will not be complete by the end of the current contract. There was brief, general discussion about the potential to develop a new, full-time, entry-level Internal Audit position.

Hearing no further discussion or questions from the Board, Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper

Flanagan

Foti

Pappastergion

Peña

Swett

Taverna

Vitale

J. Walsh

P. Walsh

Wolowicz

(ref. VIII A.2)

CORRESPONDENCE TO THE BOARD

There was not correspondence to the Board. (ref. IX)

ADJOURNMENT

A motion was duly made and seconded to adjourn the meeting.

Hearing no further discussion or questions from the Board, Chair Tepper requested a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
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Tepper

Flanagan

Foti

Pappastergion

Peña

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Yes No Abstain

Swett

Taverna

Vitale

J. Walsh

P. Walsh

Wolowicz

(ref. X)

The meeting adjourned at 3:34pm.

Approved: October 23, 2024

Attest:

 for

Brian Peña, Secretary

LIST OF DOCUMENTS AND EXHIBITS USED

- Draft Minutes of the July 24 and August 20, 2024 MWRA Board of Directors' Meeting (ref. I)
- September 11, 2024 Staff Summary – FY2025 Annual Meeting: Election and Appointment of MWRA Officers, and Committee Assignments (ref. II.A)
- September 11, 2024 Presentation – Report of the Executive Director (ref. III)
- September 11, 2024 Staff Summary and Presentation – Metropolitan Water Tunnel Program Final Design Engineering Services: WSP USA Inc., Contract 7556 (ref. V A.1)
- September 11, 2024 Staff Summary and Presentation – Section 4 Walnut Street Bridge Pipe Restraint Replacement: R. Zoppo Corp., Contract 7483, Change Order 7 (ref. V B.1)
- September 11, 2024 Staff Summary and Presentation – Somerville Marginal CSO Facility New Pipe Connection RJV Construction Corp. Contract 7985 (ref. VI A.1)
- September 11, 2024 Staff Summary and Presentation – Braintree-Weymouth Intermediate Pump Station Transformer Replacement Dagle Electrical Construction Corporation Contract 7995, Change Order 1 (ref. VI B.1)
- September 11, 2024 Staff Summary and Presentation – CSO Post-Construction Monitoring and Performance Assessment: AECOM Technical Services, Inc. Contract 7572, Amendment 5 (ref. VI B.2)
- September 11, 2024 Staff Summary and Presentation – Siphon and Junction Structure Rehabilitation Design and Engineering Services During Construction: Contract 6224, Amendment 1 Kleinfelder Northeast, Inc. (ref. VI B.3)

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- September 11, 2024 Staff Summary – Delegated Authority Report – July & August 2024 (ref. VII A.1)
- September 11, 2024 Staff Summary and Presentation – FY2024 Fourth Quarter Orange Notebook (ref VII A.2)
- September 11, 2024 Staff Summary – FY24 Year-End Financial Update and Summary (ref. VII A.3)
- September 11, 2024 Staff Summary – FY24 Year-End Capital Improvement Program Spending Report (ref. VII A.4)
- September 11, 2024 Staff Summary – Bond Defeasance of Future Debt Service (ref. VII B.1)
- September 11, 2024 Staff Summary – September 2024 PCR Amendments (ref. VIII A.1)
- September 11, 2024 Staff Summary – Extension of Internship/Contract Employment, Internal Audit Division (ref. VIII A.2)